

Are these types of jobs worth it? Some critics have turned up their nose at jobs that average \$28,000 per year with benefits. One of the largest policy questions facing this state is how to help those workers laid off from textile and apparel plants. We have lost over 15 percent of these jobs in the last four years due to federal trade policies and other changes. These workers will now be able to compete for Dell jobs, and the state and company will provide the training to allow them to be on the job fairly quickly.

Some reports have inaccurately stated that the state would reduce its requirements for health insurance coverage to accommodate Dell. In fact, Dell's health insurance far exceeds the longstanding state standards for companies that receive assistance. Dell must provide health insurance, have a clean environmental record, a clean worker safety and health record, and have no overdue tax payments to receive the tax credits. These requirements are exactly the same as in other incentives.

Other critics complain that these jobs may result in more people needing government assistance for childcare or health insurance because of the level of wages involved. This argument is absurd. People will take these jobs if they are better than the jobs they have now or if they do not have a job. The presence of Dell and its suppliers in the Triad will reduce the number of people who need government assistance, not increase the number.

Will North Carolina workers be the ones who get these jobs? The Dell expansion is not a transfer or consolidation of existing plants. In our discussions with the company, their interest in the Triad is due to three things: the availability of people who are accomplished and experienced at shift work, the location, and the incentives that the state has offered. The vast majority of hires will be local workers. The workforce development boards in the Triad will pay for some on-the-job training for dislocated workers and other local workers with low wages. This incentive will ensure fair access to those North Carolina workers hit hardest by the recession.

What does Dell have to do to receive these incentives? The company has to invest \$100 million and create 1,200 jobs by the end of five years to continue to receive the incentives. It has to be producing, assembling or manufacturing computers to generate the credit within two years. During the first five years, the company must create a phase-in target of jobs or else have the credit reduced. After that, the company is required to create higher numbers of jobs, at least 2,500, in order to receive the maximum credit in future years.

And finally, the company must be profitable to take advantage of the credits, because the amount of credit cannot be greater than their tax bill.

At the end of the day, the General Assembly passed this legislation overwhelmingly for a reason: it makes good economic sense for North Carolina in a time when our workers need help the most.

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